

HOUSING AUTHORITY OF THE CITY OF RICHLAND
Benton County, Washington
January 1, 1992 Through December 31, 1992

Schedule Of Findings

1. The Housing Authority Should Document Certification Of Rent Reasonableness

The Richland Housing Authority did not prepare rent reasonableness certifications for two new rent contracts and six contract rent changes, as required by the *Code of Federal Regulations* (CFR) 24.

CFR 24 Section 882.106 and 108 state that rent reasonableness certifications should be completed when new rental contracts are entered into and when existing contract rents are adjusted.

Without the certifications it was not possible to determine if the housing authority verified the reasonableness of rent adjustments. If the rent is not determined to be reasonable, a questioned cost for the difference between "reasonable rent" and the actual rent paid would result.

The certifications for the new contracts were omitted due to an employee oversight. The certifications for the contract rent changes were omitted because the program coordinator did not know that a rent reasonableness certificate was needed for each change.

We recommend the housing authority develop a check list indicating all required documents. This list should be segregated by required documentation categories. For example: new application, annual recertification, or interim information/adjustments. This list should be signed off by the employee and put in the tenant file.